

A weekly update of energy prices and issues to help leaders assess energy trends throughout the year.

Media Excerpts: A snapshot of state and national energy issues*

High heating bills are gone for a while, but now there's the cost of cooling and summer driving to confront. It's summer in Frankfort and that means air conditioning and road trips. But with energy prices on the rise, filling up at the pump and paying the monthly bills will take an even bigger chunk out of those paychecks. Greg Guess, assistant director for the Kentucky Division of Renewable Energy and Energy Efficiency, sat down with Staff Writer Haley Beck to discuss ways Frankfort residents and business owners can be more energy efficient while saving money this summer. ("High heating bills are gone for a while, but now there's the cost of cooling and summer driving to confront," *State Journal*, 6-18-06)

Seven states in bidding war for next-generation power plant. In fierce bidding reminiscent of efforts two decades ago to win the superconducting super collider, seven states are aggressively trying to land a billion-dollar power plant prototype that's virtually pollution free. Home to a third of the dozen sites chasing FutureGen, Illinois has up to \$80 million in incentives on the table, from grants to low-interest loans. Ohio is offering twice that, while Texas has passed a law making it responsible for any legal entanglements stemming from the coal-fired plant's carbon dioxide emissions. Kentucky's bid includes 215 acres of free land in Henderson County - near an active coal mine and the confluence of the Green and Ohio rivers - and \$2.4 million in incentives. The finalists will be tapped this summer, with the winner to be announced next year - five years before the plant is expected to be running. Touted as the power plant of tomorrow, FutureGen involves technology that converts coal into highly enriched hydrogen gas that burns cleaner than coal. ("Seven states in bidding war for next-generation power plant," *Herald-Leader*, 6-18-06)

Gas relatively cheap at \$3, say oil officials. They defend profits, push drilling on federal lands. Americans paying \$3 a gallon at the pump have it relatively cheap compared with what people pay globally, say oil and gas company executives who defend their record profits as essential to maintaining supplies. In parts of Europe, gasoline prices are more like \$5 a gallon to \$7 a gallon, said the chairman of ConocoPhillips Co., James J. Mulva. "This is a global business, and it's not only that we need to add to supply, but we need to reduce demand," Mulva said. "In the United States alone, we have about 2 percent of world oil reserves, 5 percent of the population and yet we use about 25 percent of the world's consumption of oil. ("Gas relatively cheap at \$3, say oil officials," *Herald-Leader*, 6-19-06)

Gasoline scams abound as prices at the pump soar. A 'top-secret' one is deemed effective as a mothball. Rob Durham had a secret - or at least he thought he did. Even as the prices on gasoline station signs had begun to rise, Durham, a real estate agent and budding entrepreneur in suburban Chicago, received an e-mail from a friend telling him about a "top-secret gas pill" that could significantly boost fuel efficiency while cutting emissions. "The more I saw, the more I believed in it," said Durham, 39, who joined his friend and became a distributor. He still says the product works. Authorities say the pill wasn't just "top-secret," it was also bogus. The additive is the equivalent of a mothball, according to Texas Attorney General Greg Abbott. ("Gasoline scams abound as prices at the pump soar," *Herald-Leader*, 6-18-06)

PA reducing energy consumption, saving taxpayers money. At the direction of Governor Edward G. Rendell, the Pennsylvania Department of General Services is saving taxpayers' money by reducing energy consumption at all state office buildings. Since November, energy management and conservation initiatives have cut energy consumption approximately six percent. "All the minor adjustments we have made to save energy - simple things like banning nonessential items and turning off lights - are starting to add up and generate substantial savings," DGS Secretary James P. Creedon said today during a walkthrough of the Reading State Office Building in Berks County ("PA reducing energy consumption, saving taxpayers money," *PRNewswire*, 6-20-06)

Better air sought for horse games. Hybrid buses among suggestions. About 30 citizens gathered Friday night with two goals: to make Lexington a cleaner city before the 2010 world equestrian championships and to alert the public about their mission. Many focused on environmentally friendly transportation, because the games could bring nearly 300,000 people to the city. Rick Gersony, founder of the environmental group GreenLex.org, started the discussion with his idea for a hybrid bus system that he said would save the city money and eliminate emission fumes. The next step is to discuss specifics of the project with officials, because a transit hybrid bus can cost up to \$500,000, Gersony said. There are also less-expensive ways to incorporate hybrid vehicles into the city, such as shuttles or vans, Gersony said. ("Better air sought for horse games. Hybrid buses among suggestions," *Herald-Leader*, 6-21-06)

Kentucky 7th in rising CO₂ emissions - Travel, electricity usage cited. A study by a national research group says Kentucky is among the top 10 states where carbon dioxide emissions, a contributor to global warming, have more than doubled in 41 years due to increased travel and electricity usage. In the report titled "Carbon Boom," Kentucky ranks seventh nationwide with a 209 percent jump in carbon dioxide emissions from 1960 to 2001, according to the United States Public Interest Research Group. Texas ranks first for emissions, but had only a 178 percent increase during that period. ("Kentucky 7th in rising CO₂ emissions-Travel, electricity usage cited," *Herald-Leader*, 6-21-06)

These are media summaries. Please consult the source directly to ensure the accuracy of the information presented. Underlined titles are links to online articles in their entirety.

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	06/21/06	06/14/06	06/07/06	05/31/06	Year Ago
Gasoline (State avg.)	2.723	2.805	2.809	2.705	2.122
Ashland	2.784	2.885	2.891	2.717	2.160
Covington	2.834	2.905	2.883	2.788	2.177
Lexington	2.637	2.773	2.837	2.689	2.148
Louisville	2.773	2.896	2.883	2.796	2.196
Owensboro	2.643	2.698	2.729	2.596	2.055
Diesel (State avg.)	2.824	2.843	2.813	2.790	2.249
Ashland	2.821	2.843	2.813	2.800	2.253
Covington	2.851	2.857	2.852	2.810	2.245
Lexington	2.838	2.854	2.831	2.799	2.245
Louisville	2.810	2.845	2.813	2.793	2.253
Owensboro	2.841	2.830	2.810	2.755	2.249

Note: The record high average price for gasoline in Kentucky is \$3.049 and occurred on Sept. 3, 2005.

Source: Gasoline (unleaded regular) & Diesel: National AAA, <http://www.fuelgaugereport.com/KYavg.asp>

Wholesale Fuel Prices

Spot Prices	06/21/06	06/14/06	06/07/06	05/31/06	Year Ago
Crude Oil (Dollars per barrel)	70.70	69.14	70.82	71.29	58.91
West Texas Intermediate, fob					
Natural Gas (Dollars per MMBtu)	6.500	6.350	5.810	5.990	7.470
Henry-Hub					

Source: Oilenergy.com

Futures		July-06	Aug-06	Sept-06
Crude Oil (Dollars per barrel)	06/21/06	-	70.33	71.03
Light Sweet Crude Oil	06/14/06	69.14	69.62	70.33
	06/07/06	70.82	71.50	72.35
Natural Gas (Dollars per MMBtu)	06/21/06	6.588	6.798	7.018
Henry-Hub	06/14/06	6.590	6.852	7.112
	06/07/06	5.974	6.249	6.619
Propane (Cents per gallon)	06/21/06	110.25	110.75	111.00
	06/14/06	109.50	110.00	110.25
	06/07/06	107.00	107.25	107.50
Coal (Dollars per ton)	06/16/06	50.75	-	-
Central Appalachian	06/09/06	50.00	-	-
	06/02/06	51.25	-	-

Source: [NYMEX closing price](#) and [EIA Coal Futures](#)

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